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Planning Study

On

Intelligence for Economic Warfare

April 14, 1949

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This study has been prepared within the Intelligence area of the Department of State. It has not been studied for approval within the Department of State or by any other agency whose interests it touches upon. An earlier draft has been seen by the members of the Interagency groups working on Foreign Economic Assistance and on Preclusive Buying. The present draft has been discussed informally with individuals in the Central Intelligence Agency.

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SECRETINTELLIGENCE FOR ECONOMIC WARFAREI. THE PROBLEM

The problem under discussion is: (1) to determine economic intelligence requirements under conditions of economic warfare, (2) to appraise the resources now available to meet them, and (3) to recommend the steps necessary to mobilize these resources to meet economic warfare requirements.

II. GENERAL ASSUMPTIONS

A. For purposes of this paper economic warfare is defined as any and all measures aimed directly or indirectly either at weakening the enemy's economic strength or at increasing the economic contribution of allies, friendly countries, and neutrals to the war effort of the US and its allies. Thus, in addition to economic blockade it includes strategic bombing, with all its more recently developed weapons, and sabotage, which are sometimes considered as outside the definition of economic warfare; it also includes the so-called unorthodox instruments like the manipulation of commodity markets and the promotion of inflation.

B. Whether or not a single agency has responsibility for a large part of the operations of economic warfare, the program as a whole will involve several agencies and raise many and complex problems of organization.

C. Proper planning and execution of economic warfare naturally require a knowledge of the general domestic economy and economic program. This paper assumes that necessary information of this type will be available to the intelligence and planning agencies engaged in the economic warfare program. It therefore concerns itself with intelligence on the domestic economy only (1) in respect to the peculiar intelligence requirements for blocking or vesting of foreign assets and exchange, and import and export controls, and (2) in so far as it touches upon the problem of the proper arrangements for the interchange

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of information between the agencies responsible for the domestic mobilization and those responsible for economic warfare.

III. CONCLUSIONS

Six major conclusions are evident from the following discussion. First, since the conduct of economic warfare is a complex and interrelated undertaking bound to involve many agencies, its intelligence aspects are also necessarily complex. During World War II there was considerable waste and confusion in this respect, although working arrangements mitigated the damage that might have resulted. Since the end of the war there has been a sizable improvement, but much remains to be done. Economic intelligence, where the problem of overlapping interests is most complicated and acute, is precisely the area of intelligence in which the least progress toward order has been made. Therefore, the strongest efforts for coordination are needed in order to achieve effective, efficient, nonoverlapping, and noncompetitive activity in respect to the collection, dissemination, storage, recording, and the analysis of information for economic warfare.

Second, specific suggestions for the organization of intelligence activities to give better support to a program of economic warfare depend largely upon the general organization proposed for the administration of the action programs themselves.

Third, the interrelation of the operation of the various instruments used in economic warfare is reflected in the extent to which many of them require basically the same kind of raw intelligence information and same types of analysis. On the other hand, since each instrument has problems of its own, final studies upon which its operations and policies are to be based must be fashioned directly to suit its needs.

Fourth, during World War II officials conducting the economic warfare program apparently found that their intelligence requirements were more adequately met in many instances by conclusions that contained recommendations for action. BEW and OSS reports in this field indicate

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that this practice was recognized and appreciated. Possible disadvantages in this practice stem from the danger of (a) loss of objectivity through close identity with policy, and (b) possible sense of harassment of operating officials at lower levels by reason of an additional group involved in making a decision. The greater advantages are (a) the practice makes it easier to attain a realistical appraisal of the logical relationship between the situation, the conclusions, and the action recommended, and (b) it provides operating personnel with the closer support of an additional trained individual, with solid research background, who is thus enabled to concentrate squarely on the policy or operational issue.

Fifth, while the resources of economic intelligence in Washington at the present time are, as a whole, superior to those available at the outbreak of World War II, they are inadequate to meet the heavy requirements of full-scale economic warfare. Furthermore, it is a disturbing fact that our intelligence is weakest on the USSR and the satellite countries.

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deficiencies are in some respects due to inadequacy of source material and in others to inadequacy of analytical staff.

Sixth, the National Intelligence Survey (NIS) program, if properly oriented and scheduled, and if amplified by functional studies, will provide an excellent start in intelligence analysis for economic warfare during the interim period. These surveys, however, must be supplemented by functional studies not yet scheduled, such as those dealing with commodities, shipping, etc. Furthermore, in light of the four-year production schedule for completion of the NIS program, there is serious danger that the economic chapters for many of the countries which may be important in programs of economic warfare will not be completed by 1952-53. In any case, further analysis of the

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material produced in the NIS studies will be necessary in order to focus it directly on the problems of economic warfare.

IV. RECOMMENDATIONS

Until the outlines and requirements of the individual instruments of economic warfare become clearer, the following suggestions are offered as preparedness measures aimed at the general improvement of economic intelligence. The recommendations concerning the collection, dissemination, and storage of raw intelligence information are more detailed than those concerning analysis or intelligence in general. This difference in treatment is due to the impracticability at the moment of formulating equally detailed recommendations for the research or analytical work. More specific recommendations in this area will be possible only at a later stage. In the meantime, if the recommendations as presented, whether general or specific, are carried out, much will have been accomplished toward the attainment of adequate intelligence for economic warfare.

A. Machinery should be established for closely coordinating the plans and activities of the existing agencies concerned with intelligence useful in economic warfare. This machinery might properly be an interdepartmental committee under the chairmanship of the Central Intelligence Agency. Its membership should include not only the members of the Intelligence Advisory Committee but also other appropriate agencies. The committee should concern itself with delineation of responsibility in the fields of the procurement of economic intelligence and its analysis or exploitation. The mere assigning of responsibility is, of course, meaningless unless it is carried out by action. It will be necessary therefore to devise some type of clearing machinery to insure that major questions received by an intelligence unit through its policy or operating officers will be subjected to all the talent available ^{in all agencies concerned.} At the same time such a mechanism must not deprive the individual agencies of the freedom to handle quick or spot requests.

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B. The committee (see paragraph A, above) should immediately initiate a coordination program among the agencies presently concerned with economic warfare, involving the following steps:

1. Arrangements for a more complete interchange of information within the control of the existing agencies. Among the immediate measures which should be taken in this connection are:

- a. The making of a coordinated inventory of the existing organizations and personnel engaged in or suitable for research in subjects relevant to economic warfare, with an indication of the scope and limitations of each;
- b. The drawing up of an inventory of the documentary resources of the Government, including collections of foreign publications bearing on the subject of economic warfare, with an indication of the extent, strength, and weaknesses of each collection, and the manner in which access to it may be had by other agencies. The committee should consider the feasibility of establishing a central card index of foreign publications relating to economic warfare that can be found in the existing governmental agencies.
- c. Arrangements should be made to insure wide distribution by each agency of the processed materials which it produces in its area of responsibility. Such arrangements are essential if partially duplicating or overlapping research assignments are to be avoided. On the basis of this complete interchange of processed materials, it should be possible materially to reduce the flow of raw information of purely marginal interest to individual agencies.

2. The committee should study the National Intelligence Survey (NIS) program as it is actually unfolding to determine whether it is providing an adequate basis for economic warfare. It should also decide whether the time schedule of the program is geared so as to meet the

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needs of economic warfare as distinct from strategic ^{military} planning. If the NIS program is deficient in either of these respects, steps should be taken to correct the situation. On the basis of NIS and other material, a coordinated research analysis program should be initiated with a view to the refinement and development of the substantive program of economic warfare. The responsibility for given parts of the intelligence program should be clearly outlined and definitely assigned. The analysis program as it develops should also reveal and point up gaps in the existing fund of raw information and in the resources of analytical talent.

3. Intelligence collection programs should be fully coordinated. Such coordination will involve a delineation of responsibilities among agencies engaged in overt collection activities, as well as correlating overt collection activities with covert or "secret intelligence" activities. The interests and capacities of the agencies that are not members of the IAC should be taken into consideration with respect to over-all coordination measures, as well as with respect to utilization of certain types of sources, as indicated below.

Of the individual types of sources, the collection program is now well coordinated with respect to two. The exploitation of foreign radio broadcasts has been concentrated in the hands of a single agency; through an informal agreement, the procurement of maps has been allocated by type of map among four of the major interested agencies.

With respect to the remaining types of sources, improvements are recommended as follows:

a. Publications Procurement and Field Reporting

- (1) The responsibility for these sources, which are the two most important, should be clearly marked among the various IAC agencies.
- (2) The non-IAC agencies should be brought into fuller participation in the programs.
- (3) An adequate dissemination system among the Washington

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offices should be set up and enforced in such a way as to enable the products of one agency to become available whenever appropriate to the other agencies.

- (4) Plans should be developed for the implementation of a coordinated publications collection program of the US Government somewhat along the lines of the wartime IDC which is described in Appendix A. A minimum step in this direction would be the central inventory recommended under IV, B, 1b, above.

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b. Covert Intelligence

- (1) The over-all committee for economic intelligence should supply guidance for covert intelligence activities as they pertain to economic warfare.
- (2) Operations for covert intelligence should be made more responsive to the needs of the non-IAC agencies.

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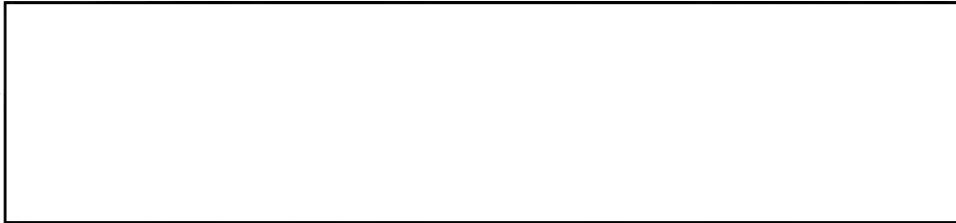
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- (3) Ability of the various agencies to contribute to the exploitation of these sources should be strengthened by the establishment within each of machinery for the interagency dissemination of information which it gathers as a by-product in its normal operating contacts with these sources.

d. Pictorial Coverage (Excluding Aerial Photography)

- (1) CIA should organize and maintain the central comprehensive files of ground photography of foreign areas as a "common service" to IAC and non-IAC agencies.
- (2) The photograph collections of the Army, Navy, and Air Force should be limited to air photography and other material of purely operational interest.

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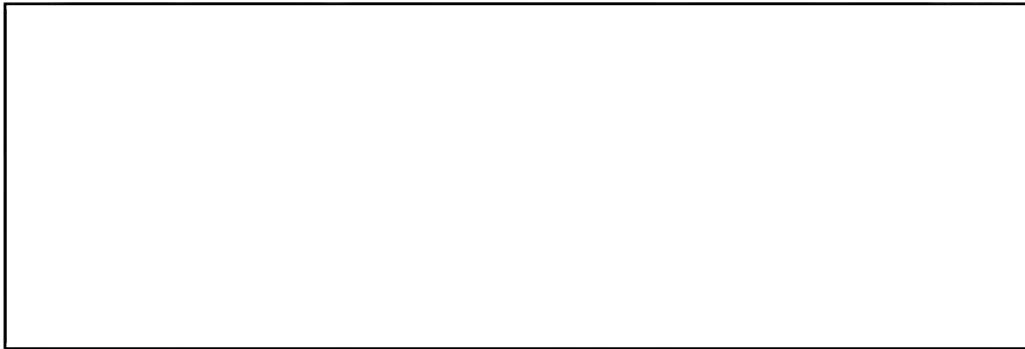
e. Prisoner-of-War Interrogation, Captured Enemy Documents, Censorship Reports, Aerial Reconnaissance, Combat Intelligence and Captured Enemy Material

- (1) A program should be developed immediately to apply the techniques used during wartime with respect to enemy matériel to study products manufactured in the USSR and the areas it dominates in order to supply basic information on such things as quality of materials and workmanship, methods of manufacture, use of substitutes, etc.
- (2) Plans should be developed for the wartime coordination of the collection of the information available from the above sources in order to avoid the confusion and waste prevalent during the last war.

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g. Refugees and Refugee Organizations. The confusion and inadequacy of the present method of handling refugees and refugee organizations should be corrected.

C. The university and college program for training functional or area economic specialists useful in intelligence work should be more actively supported.

D. A coordinated program should be worked out to tap the capacities of private institutions to perform research on economic subjects.

E. Consideration should be given to making suitable selective service provisions for the key personnel engaged in economic warfare operations.

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V. DISCUSSIONA. Intelligence Requirements

1. General. The various instruments of economic warfare may be grouped according to their purposes. A reasonable classification on this basis is as follows:

a. Attack instruments aimed primarily at weakening the enemy's economy: i.e., (1) blockade, strategic bombing and atomic or biological warfare, sabotage, and preclusive buying and (2) blocking of foreign assets, proclaimed listing.

b. Support or mobilization instruments aimed primarily at making the contribution of allied, friendly, or neutral foreign countries to the US and allied war effort as great as possible: e.g., foreign economic assistance, foreign procurement and development.

c. Instruments that can be directed to either attack or support: e.g., international agreements, exchange controls, import and export controls.

As related to intelligence, the instruments in the attack group are different from the others in two important respects: First, to a considerable degree they require information on enemy areas or enemy activities, which is much more difficult to obtain than in the case of the other instruments; second, the information required frequently must be pursued in much greater detail - for example, the pinpointing of targets for strategic bombing demands minute information even on individual plants or installations.

Aside from the universal point that intelligence to be useful must be timely, the most striking single characteristic of intelligence for economic warfare is the extent to which the same kinds of raw intelligence information on foreign countries and the same types of research analysis are applicable in determining the operations of the various instruments. This fact will not seem unnatural if one considers the interdependence of the various instruments of economic warfare in their actual operations.

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In general, economic warfare operations must be based upon the following types of analysis:

a. Functional analysis aimed at

(1) the supply and demand of major commodities or of commodities that are strategic or critical from the point of view of the US and its allies, the enemy or neutrals; and

(2) other major functional problems like shipping, manpower, and balance of payments.

b. An analysis of individual countries aimed at determining

(1) their fundamental and current economic conditions;

(2) their economic capabilities, that is, their potential strength and weakness in any important aspect of the economy relating to war production; and

(3) their political and sociological situation as it relates to their economic effectiveness.

Analyses of this nature are especially important in respect to the programs of foreign economic assistance, foreign procurement and economic development, economic blockade, including preclusive buying and strategic trade agreements, strategic bombing, atomic warfare, biological warfare, and sabotage. Among these, the emphasis in the case of the "attack instruments" is on enemy or enemy-held areas in the case of the support instruments on the economies of neutral or foreign areas.

The programs concerning certain other instruments of economic warfare are largely determined by situations and activities primarily within the US - for example, blocking or vesting of foreign assets, exchange controls, import and export controls, and proclaimed listing. Exchange controls and import and export controls also require some of the information on foreign countries described above. Proclaimed listing is a special problem in intelligence, calling for a knowledge of the business and political relationships and activities of individual firms and other economic institutions in foreign countries as well as their branches

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operating in the US. Some of this intelligence is common to that required for preclusive buying.

2. For Specific Instruments. Although the broad requirements of economic intelligence analysis described above are the same for a group of instruments of economic warfare, each instrument has its own problems and therefore must have studies that in their final stage focus specifically on these problems. The following paragraphs attempt to point out some of the specific requirements of the various instruments of economic warfare. The statement is far from complete, and the requirements of one instrument are not mutually exclusive of the requirements of others.

a. Foreign Economic Assistance, and Procurement and Development.

These two instruments are almost identical with respect to the nature of the intelligence they require. On each country involved the following is needed:

(1) A general analysis of the economy, including the fundamental economic structure and organization of the country and its economic strength, weaknesses, and capabilities, particularly the degree of its dependence on foreign trade and in any important aspect of the economy related to war production.

(2) A study of the financial structure of the country, with particular reference to its financial reserves, balance-of-payments position, and prospective needs for foreign exchange or financial assistance.

(3) Analysis on a continuing basis of the strategic supply position of the country, focusing both upon import requirements of key commodities and upon surpluses available to the US or other friendly countries. This requires comprehensive and detailed studies in which the estimates of commodities available for export are developed on the basis of a thoroughly integrated pattern involving analysis of local transport facilities, credit, capital and equipment availabilities, managerial talent and technical know-how, prices and contract incentives,

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political stability, and other factors related to production and export capacity.

(4) Study of the shipping and other services either needed by or available to each country.

(5) A determination of the extent to which the US and its allies can control expanded output.

b. Blockade. The items subject to blockade are now of very great variety and are determined both by economic requirements and by international law. They may be said roughly to include anything that may be useful to the enemy. Basic to a blockade program are analyses of the requirements of the enemy and of neutral countries. Blockade activities are greatly assisted by intelligence that reveals efforts to smuggle goods in vessels sailing under a navicert, or efforts of individual ships to run the blockade. In actual operations, the two instruments of economic warfare -- preclusive buying and strategic trade treaties -- discussed below must be closely related to the blockade.

c. Preclusive Buying. This program involves information of the following type for each commodity being examined:

(1) The critical value to the enemy of the commodities available in the neutral area.

(2) The significance of the neutral area as a source for the enemy. This analysis should include an appraisal of the possibilities of expansion of output.

(3) The ability of the allies to control any increased output.

(4) The enemy's ability to compete with money or goods or through other methods.

Both (1) and (2) involve an appraisal of the number of producers, processors, or middlemen involved and their susceptibility to allied pressures, an appraisal of the pertinent economic controls in effect in the neutral country, the attitude of the neutral government, the possibility of smuggling, and a knowledge of actual shipments, open or smuggled, from the neutral to enemy-held areas.

d. Strategic International Agreements. In some instances these agreements supplant preclusive buying; in others they embody provisions for foreign economic assistance or foreign procurement or development

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programs. The intelligence needed to draw up such agreements has been indicated under these other instruments.

e. Export Controls. Imposition of export controls requires a knowledge of:

(1) the requirements and availability of specific commodities in the US and in allied and neutral countries; and

(2) the end utilization of specific commodities or "similar" commodities by neutral countries in order to determine to what extent the enemy may be benefiting from shipments from the US or other areas under allied control.

f. Import Controls. Economic intelligence required to impose import controls may be specified in relation to the objectives of the instrument:

(1) the conservation of dollars and shipping space requires a prior determination of the needs of the US and its allies.

(2) preventing useful exchange from reaching the enemy involves a knowledge of the financial relations of individuals or firms in neutral countries and the financial relations of the neutral countries themselves with the enemy. This information, of course, is very similar to that required for blocking enemy assets and for proclaimed listing.

(3) assistance to allies or friendly neutrals in order to keep their economies stable calls for the type of analysis described under Foreign Economic Assistance (V,A,2a, above).

(4) bargaining for better wartime trade agreements or stricter enforcement of them involves among other things continuing intelligence on the neutral's open or undercover trade and financial relations with the enemy.

g. Foreign Assets Control. Control of the enemy's assets in the US must be based upon a determination of his holdings, either direct or through cloaks. An analysis of corporate structure and international corporate and financial relationships is necessary. Within the US, it may

be necessary to make periodic inventories of accounts held by foreigners in US banks, and later more detailed accounting analyses of the operations of selected firms.

h. Proclaimed Listing. Proclaimed listing involves intelligence on the political ties, the business activities, and the economic interests of business firms in neutral countries as they relate to the enemy. It also requires information on the size of the individual companies or their economic and political importance to the neutral countries involved.

i. Strategic Bombing. The selection of plant targets is based upon an analysis of their industrial importance and role in the enemy's war production effort. Aside from purely military factors, determining the vulnerability of a target to bombing calls for a consideration of the number, dispersion, and specific location of the plants, and the susceptibility of the installations to aerial weapons.

j. Sabotage. The intelligence required for carefully planned sabotage operations is quite similar to that for strategic bombing, except that the susceptibility of the installations must be expressed in terms of internal damage.

k. Unorthodox Instruments. A variety of actual and potential instruments for use in economic warfare have been suggested that were not used on a large scale in World War II. Some of these instruments tend to merge into those ordinarily considered as weapons of psychological warfare. Examples of these "unorthodox instruments" include (1) atomic bombing, with consequent annihilation of urban and industrial areas; (2) bacterial and biological warfare -- spreading human diseases in urban communities and plant diseases or pests in agricultural areas; and (3) financial warfare -- attempts to dislocate the enemy economy through manipulation of commodity markets, dumping counterfeit currency to promote inflation, and so on. Economic intelligence relating to these measures would consist of extensions of the general analysis of enemy economies. Atomic bombing calls for intelligence similar to that for

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strategic bombing. Bacteriological or biological warfare must be based on a detailed knowledge of urban health problems, the most important crop producing areas, and of the plant diseases and pests to which major crops in these areas would be susceptible. Financial warfare would require a detailed knowledge of imbalances or weak aspects of the financial structure and market arrangements of the target country.

B. Organization of Economic Intelligence Agencies

1. During World War II. During World War II economic intelligence functions were widely dispersed among US Government agencies in Washington. A number of these agencies also engaged or participated in the procurement of economic information for strategic purposes abroad. For example, FEA and the R & A Branch of OSS to a very large degree duplicated each other in respect to intelligence on economic warfare in general. In respect to the intelligence for a strategic bombing program there also was a considerable overlapping of these two agencies with the Air Force. Administrative and other complications arising from the participation of so many agencies in one activity are numerous and well known.

The agencies involved during World War II may be grouped according to function into three broad categories as follows:

a. Certain agencies were engaged in analyzing economic information upon which they based military operations or economic blockade operations. Of these, the most important were the War and Navy Departments, the Office of Strategic Services, the State Department, and the Board of Economic Warfare and its successor agencies (Office of Economic Warfare and Foreign Economic Administration). The partially parallel interests and overlapping functions of these agencies in the field of economic intelligence caused extensive confusion and duplication of effort during the war both in the field and in Washington. On the other hand, these agencies gradually evolved working arrangements that brought various degrees and forms of interagency cooperation into economic intelligence work.

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Before the war, the War and Navy Departments had steadily collected economic as well as other data through military and naval attachés stationed in foreign countries. During the war their intelligence services continuously analyzed enemy economic potentials and vulnerabilities, based on raw information of their own and of other agencies. They also relied heavily upon analytical studies prepared by OSS and by BEW and its successor agencies.

OSS was engaged in analyzing enemy economic situations, as well as enemy situations of political, psychological, and other character. Its Research and Analysis Branch (R & A) had certain subdivisions which specialized in economic matters. OSS procured some of the necessary raw economic information through its own agents, but drew heavily upon information available through other agencies. After an early period of jurisdictional dispute, OSS and BEW and its successor agencies collaborated closely in the field of economic intelligence, both in information procurement and on the analytical level.

The State Department normally has received, and during the war continued to receive, important types and quantities of economic information through its commercial attachés and other representatives abroad. Such information, in addition to being utilized in carrying on the Department's own wartime activities, was made available to other agencies. The State Department in turn based its trade treaties with neutrals and its part in determining blockade operations in general very largely upon analytical studies prepared by other agencies, especially BEW and its successors.

BEW and its successor agencies were responsible for planning economic blockade measures and directing certain blockade operations. Beginning in the early months of 1942, they also maintained continuing studies of the enemy's economic potential and prepared analyses of industrial bombing objectives. BEW undertook such functions partly in response to War and Navy Department requests for assistance and partly in emulation of the British Ministry of Economic Warfare (MEW). The emulation of

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MEW was stimulated by Executive Order 9138, which directed BEW, among other things, to represent the Government "in dealing with the economic warfare agencies of the United Nations for the purpose of relating the Government's economic warfare program and facilities to those of such nations." The Economic Intelligence Division of BEW and its successor agencies procured information both through other agencies and directly from nongovernmental sources. Its procurement activities were carried on not only on behalf of the analytical and operating offices of BEW and its successors but incidentally and as requested for the Military Intelligence Service, Office of Naval Intelligence, A-2, Office of Strategic Services, and other agencies.

b. In a second category were agencies responsible for the exploitation of certain types of information sources for the benefit of other agencies: for example, the Office of Censorship, the Federal Communications Commission, the Interdepartmental Committee for the Acquisition of Foreign Publications (INDEC or IDC). These agencies are discussed at length in Appendix A.

c. Finally, still other agencies having special field facilities for research or oral intelligence work in certain places were used to procure economic information on behalf of the agencies needing it for economic analysis: for example, the Securities and Exchange Commission and the Departments of Commerce and Justice.

2. Existing Economic Intelligence Agencies. There are numerous Government agencies which might or do contribute in various ways to the economic intelligence process. Some of them are collectors or depositories of information; others employ analysts who would be useful in an expanded program; and still others are currently engaged in the production of completed economic intelligence.

The most important of the agencies now engaged in economic intelligence are the following:

Central Intelligence Agency. CIA has two main functions in the field of intelligence: it is a source of raw material and it is

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responsible for the production of national intelligence. National intelligence is defined as integrated departmental intelligence that covers broad aspects of national policy, is of concern to more than one department, and transcends the exclusive competence of any one department.

State Department. Under NSCID-3, the State Department is responsible for the collection abroad and production of all political, sociological, and cultural intelligence, and for aspects of economic intelligence in accordance with its needs. The Foreign Service provides the means for acquiring economic intelligence for all government agencies, while the Office of Libraries and Intelligence Acquisition (OLI) and the Office of Intelligence Research (OIR) provide the means for producing finished economic intelligence within the Department. OLI and OIR maintain a few ^{Publications} Procurement officers and Research Attachés in selected areas abroad.

Department of the Army. The Intelligence Division (ID) of the Army produces economic intelligence as a basis for estimates of enemy capabilities, determination of logistic requirements, planning strategy, and planning and administering occupational or civil affairs policies and programs. The Department has its own corps of military attachés abroad attached to the U.S. diplomatic missions, except in the occupied areas, where reporting is direct to the Department of the Army.

Department of the Navy. The Navy has interests similar to those of the Army. In the field of civil affairs, it is mostly concerned with island areas. In respect to intelligence on industries, the Office of Naval Intelligence (ONI) concerns itself especially with shipbuilding. It is, of course, fundamentally interested in port capacity. Naval attachés are attached to appropriate US field missions.

Department of the Air Force. In addition to the interests listed for the Army, Air Force Intelligence (A-2) determines the fields in which strategic bombing can be effective and pinpoints targets. As for the other military services attachés for Air are also stationed abroad.

Department of Commerce. The Commerce Department has a staff of economic analysts and comprehensive files in the Office of International

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Trade (OIT), from which basic statistics on foreign economies and international trade are prepared. OIT also prepares economic studies, but they differ in their focus from those of State. The economic intelligence of the State Department is primarily concerned with supplying the basis for the determination of both economic and other foreign policy in its broadest sense. The Department of Commerce is normally concerned with basic studies related more strictly to foreign economic policy as it affects the promotion of US trade and industry. Commercial attachés attached to the Foreign Service are a major source of economic intelligence information for all departments. Also situated within the Department of Commerce are several other offices which collect and analyze information relating to economic intelligence. These include the Office of Domestic Commerce (ODC), the Office of Technical Services (OTS), the Civil Aeronautics Administration, the Patent Office, and the Weather Bureau.

Department of Agriculture. Agricultural attachés in the field as part of the Foreign Service provide comprehensive reports on most aspects of food and agriculture and related subjects such as forests, fertilizers, and farm machinery. Within the Department of Agriculture, the Office of Foreign Relations (OFAR), the Forest Service, the Bureau of Agricultural Economics and parts of the Production and Marketing Administration engage in economic intelligence related to foreign agriculture.

Department of Interior. This department prepares some estimates of developments in foreign countries relating to minerals, fuels, power, water resources and irrigation, fish and wildlife. Mineral attachés, as part of the Foreign Service, are stationed in appropriate foreign countries for field reporting, while other specialists are assigned to special field investigations.

The Treasury Department and the Federal Reserve Board. These two agencies produce analyses of financial and monetary situations in foreign countries.

Department of Labor. The Bureau of Labor Statistics (BLS) prepares studies of foreign labor conditions, based on reports sent in from labor attachés abroad.

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The Economic Cooperation Administration. ECA receives reports on economic conditions and programs from countries participating in the European Recovery Program or receiving aid directly from ECA. ECA itself has a large body of trained economic analysts in the operating divisions, which issue statistical and other economic reports.

3. National Intelligence Survey Program (NIS). Under NSCID 3, the #1, Director of CIA was charged with developing a basic intelligence research program, world-wide in coverage, and with producing and publishing a series of comprehensive country handbooks (National Intelligence Surveys) designed to provide the basic intelligence needed by the Joint War Planners, the National Security Council, and the intelligence agencies. The implementation of this program envisaged effective utilization of the combined technical skills and facilities of all the agencies represented on the Intelligence Advisory Committee (IAC) and of appropriate nonintelligence agencies,

The program provides for (1) the production of a specified number of NIS volumes each year, and (2) continuing systematic maintenance, by which completed NIS will be kept up to date and gaps in information filled in as additional data become available.

It is intended that each NIS will contain a degree of detail sufficient to satisfy the requirements of all IAC agencies and of Joint Planners. Where additional specialized information in greater detail is needed, special supplements will be prepared by the agency best qualified to prepare them. Despite the original conception of the NIS as a basis for planning military strategy, it has become plain that the same handbooks would be invaluable for logistics, civil affairs, economic warfare, and psychological warfare.

The implementation and correlation of this cooperative enterprise has been assigned to the Basic Intelligence Group in CIA, under the immediate direction of [] CIA is assisted by an NIS Permanent Committee composed of representatives of the Departments of State, Army, Navy, and Air Force.

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Each NIS will have the following chapters:

1. Brief (coordinated summary of the whole).
2. Military Geography.
3. Transportation and Telecommunications.
4. Sociological.
5. Political.
6. Economic.
7. Scientific.
8. Armed Forces.
9. Map and Chart Appraisal.

The outlines of the chapters on Economics, Transportation and Telecommunications, Sociological, and Political appear here as Appendix B. If these outlines are properly implemented, especially that for the chapter on Economics, the studies will provide the basic information necessary for economic warfare. Gaps in the information available at the time each chapter is prepared are to be filled during the course of the maintenance program.

For purposes of the NIS the world has been divided into 102 strategic areas, usually single political units. As of August 1948 these strategic areas have been grouped into three priority categories: (1) high, (2) medium, and (3) low. Present plans call for the completion of 51 NIS in the high-priority group in four years: six during 1948-49, and 15 in each of the succeeding three years. The maintenance program will go into operation as the first version of the individual chapters is completed.

Over-all responsibility for the production of each chapter has been assigned to one or the other of the IAC agencies. The Department of State has major responsibility for three of the nine chapters -- Sociological, Political, and Economic. The Department of the Army has ^{coordinating} responsibility for four chapters -- Military Geography, Transportation and Telecommunications, Scientific, and the Armed Forces. CIA has responsibility for the Brief or summary and Map and Chart Appraisal.

Arrangements have been made for the participation of appropriate non-IAC agencies of the Government which have specialized knowledge or technical facilities. Thus, State Department has agreements with the Departments of Interior, Agriculture, and Commerce for them to provide data in raw or finished form for specific subsections of the Economics chapter

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that fall within their respective special competencies. Likewise, the Departments of the Army, Navy, and Air will contribute to or complete other subsections. The State Department will coordinate and integrate material furnished by these sources with what it produces itself. The Departments of the Army, Navy, and Air Forces have worked out similar arrangements for chapters for which they have major responsibility. Thus, responsibility for every chapter, section, and subsection has been established and accepted by the agency concerned.

Certain of the agencies involved, particularly State, Agriculture and Interior, were unable to superimpose the NIS program upon their existing intelligence workload. Arrangements were made for the expansion of their staffs

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As indicated above, it is planned for fiscal years 1950, 1951, and 1952 that the production rate be increased to 15 NIS per year, plus maintenance of earlier volumes. Additional funds to cover this increased production rate have been requested in the budget of CIA.

It will be noted that there is no provision for world-wide strategic functional studies of major or critical commodities or of such subjects as shipping. A second important fact is that the priorities have been set primarily with regard to the need of military strategic planning. Any stepping up of the production of the economic chapters or expansion of the program to include functional studies can be expected to evoke demands for additional personnel by the agencies concerned.

4. Organization of the Collection of Intelligence Information

a. General. Effective utilization of the instruments of economic warfare requires as an indispensable preliminary and continuing adjunct the penetrating analysis of the economic capabilities and intentions of foreign countries. Analysis in turn is dependent upon an adequate supply of raw information. The following paragraphs discuss the problems relating to obtaining this raw information and making it available for analysis. This discussion is presented at length because it brings out the complexity of the intelligence aspects of economic warfare and the great need

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for careful planning and coordination.

In supplying raw intelligence information for purposes of economic warfare, the problems encountered differ from those generally encountered in the field of intelligence collection and dissemination only in the emphasis placed upon particular subjects and sources. Broadly stated, these problems fall into the following categories: Collection - the effective tapping of every source of pertinent information in a manner that will yield the utmost information possessed by the source, yet without wasteful duplication of effort between interested agencies. Wasteful duplication of effort by several agencies can only be avoided if the second problem, dissemination, is successfully solved. Dissemination of information, to be completely adequate, implies that every analyst (or group of analysts) receives all the available information pertinent to the subject on which he is working, and nothing else to take up his time in pointless reading or scrutiny. It is apparent that duplication of collection activities can be avoided only if dissemination policies and procedures insure that once collected every item of information is sent to all agencies or groups interested in that particular information. The third problem is that of storing and recording information collected, so that future needs for such information may be readily supplied.

It may be useful to consider the over-all picture with respect to these basic problems, first from the ideal standpoint; second, the actual situation during the recent war and at present, and third, certain measures which may be taken to improve the existing situation. It is assumed that numerous agencies of the Government are and will be engaged in economic intelligence work. The coordination and division of responsibility for various types and subjects of research which may be reached by the agencies does not fundamentally affect the problems discussed here because such division of research responsibility as distinct from collection responsibility, will probably be based upon the operating responsibilities of the agencies and not upon the sources of information which they are in a position to tap. For example, certain types of sources can be exploited only

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by the military establishment, yet may yield information of great value to civilian agencies.

Ideally, of course, each source should be contacted and tapped by a single agency assigned to the purpose, the information obtained from the source should be immediately distributed to all agencies having an interest in the particular subject matter of the various items obtained, and the storage and recording of each item of information should be made the responsibility of a single agency, on the basis of the subject matter. However, as a practical matter of operations, such an ideal is extremely difficult to attain. Initially, any given source is merely potentially a source -- it does not begin to produce intelligence information until it has been combined with informational needs. Therefore, to exploit thoroughly a source to which it has access, an agency must first obtain its own and other agency informational requirements -- that is, the gaps in the available or current information on the subject concerned. The mere collecting and collating of the requirements thus determined is a difficult and time-consuming task. Once ^{the intelligence required has been} collected, the timely dissemination of the information is also a complex operation. The information must be reduced to documentary form (report, map, diagram, chart, etc.) if it is not already such and reproduced in sufficient quantity to meet the needs of interested agencies. With respect to storage and records, more than the mere physical filing of the document is required. If the information is to be available when needed at a future date, it must be classified, catalogued, and indexed; a service must be organized to answer inquiries on a subject basis, and reproduction facilities must be available.

The problems mentioned briefly above prevented any systematic approach to this ideal (with a few exceptions) during the recent war. In general, it was a case of each agency for itself. The exceptions arose in those cases where without cooperation and coordination a type of source would have been lost to all agencies, or where, as in the case of the military establishments, one agency had exclusive access to a source. Rivalry

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and competition in tapping sources and the withholding of collected information were not uncommon. There was no coordination in the recording or storage of information; for the most part each agency organized its own facilities, adequate or inadequate as the case might be (and it was usually inadequate), regardless of other agencies.

Since the war, certain measures have been taken to remedy the situation. NSCID 2 allocated among the IAC agencies broad responsibilities for overt collection of intelligence overseas on a subject basis, as follows:

Political, sociological	- State
Military	- Army
Naval	- Navy
Air	- Air
Economic, scientific	- to each, in accordance with its needs.

The same directive laid down as a basic principle "that there shall be free and unrestricted exchange of intelligence information between the agencies."

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Overseas covert activities in all subjects have been allocated to a specific agency. The Director of Central Intelligence has the responsibility for coordinating covert and overt overseas collection activities. NSCID 10 allocates responsibility for collection of scientific and technological information.

It is generally accepted that the measures taken since the war have been at least partially successful in bringing order out of chaos. However, it is questionable whether the fabric of coordination of intelligence collection built up by the NSC directives could meet the needs of economic warfare intelligence in an actual national emergency. The underlying weaknesses seem to be (a) lack of provision for civilian, non-IAC agencies except in NSCID 10 or except as these needs are reflected indirectly in the responsibilities and the requirements of the Department of State; (b) division of responsibility, which is allocated in some cases by subject categories, in others by source, a dual approach arising from the concept of having certain "common services" performed by CIA; (c) inadequate

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coordination machinery and authority with respect to non-IAC agencies; (d) lack of coordination between covert and overt collection to eliminate duplication and assure that covert activity is concentrated where overt activity cannot be carried on; (e) the coordination of the whole field of collection of economic intelligence overseas is unresolved.

The basic lines of policy laid down by NSCID's, if supplemented, will however, provide a solid basis for peacetime intelligence collection to meet the primary requirements for economic warfare. The supplementary measures which are desirable include: (1) clarification of responsibility for collection overseas of economic intelligence; (2) coordination and division of responsibility for storing and recording intelligence information; (3) adequate recognition of the intelligence functions, responsibilities, and resources, particularly in the economic field, of civilian non-IAC agencies.

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In Appendix A each of these types of sources will be discussed, with particular reference to the wartime and present situations and to measures which can be taken to place the exploitation of the particular type of source on the most efficient footing, to meet an emergency.

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C. Adequacy of the Present Economic Intelligence System

An evaluation of the adequacy of US Government resources for economic intelligence reveals several problems:

(1) While the inventory of economic intelligence available in Washington at the present time is, as a whole, superior to that available at the outbreak of World War II, it is inadequate to meet the heavy requirements of full-scale economic warfare. It is impossible to specify its gaps in detail at the moment. However, it is a disturbing fact that our intelligence sources are at their weakest on the USSR and are very weak on the satellite countries.

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(2) The regular procurement machinery, now consisting of the reporting officers of the Foreign Service, including the specialized economic attachés and a small number of publication procurement officers, is inadequate, even allowing for possible increased efficiency.

The duplication of effort and the lack of careful plans and coordination have been brought out in considerable detail under Section V, B, ^{2?}3, above. Some further rationalization and coordination of field reporting appear possible, which will lighten the heavy burden of reporting officers, but additional personnel will nevertheless be needed to fill gaps in the flow of information needed for economic warfare.

In particular, certain of the instruments of economic warfare, such as preclusive buying and export controls, where they are put in to effect will require day-to-day reports on shipments, production of specific commodities in neutral and other countries, and in some cases reports on individual firms. Mechanisms to accomplish this purpose can be set up only when the program itself is in operation or about to begin. Blocking enemy assets, too, will require the redevelopment of a staff of analysts trained in tracking down accounts primarily through the records of US banks. The adequacy of our resources in respect to the individual types of source material has been discussed under Appendix ^{A?}B.

(3) The existing staffs devoted to the analysis of economic intelligence in the various government agencies are still relatively uncoordinated, but even with better utilization they would be inadequate. There exist at present several jurisdictional problems between agencies which lessen the effectiveness of the total pool of economic analysts for economic intelligence. The boundaries of

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responsibility have not been defined clearly enough in some cases, and some agencies are not fully performing their agreed functions. With regard to available personnel, there is of course, a reservoir of economists in the US who acquired experience in economic warfare intelligence during World War II, and this reservoir has been supplemented by the economists who have finished their training during the postwar period. However, it must be noted that, as in the case of many other governmental activities, a large proportion of the more talented individuals engaged in economic intelligence during the war have left the government for private activities. Furthermore, there is a shortage of specialists in certain functional fields, and despite the output of the area institutes in the US there is still an inadequate supply of analysts trained and experienced in major areas of the world such as the USSR, the satellite countries, the Near East, and the Far East. If economic warfare programs were to be put into operation or to be studied on a large scale, a major problem would be the recruitment of experienced and new analysts to supplement the existing staff.

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APPENDIX APROBLEMS RELATING TO THE EXPLOITATION OF SPECIFIC
TYPES OF SOURCES OF INTELLIGENCE FOR ECONOMIC WARFARE(1) Existing collections of documents and library materials.

Early in World War II, it was discovered that the existing collections of documents and library materials were inadequate to meet the intelligence requirements of economic warfare. There had been very little concerted effort on the part of libraries in this country to develop collections of material on foreign countries, and particularly their economies. This resulted in the necessity for a large collection job during the war, chiefly carried out by the Interdepartmental Committee for the Acquisition of Foreign Publications (IDC). Partly as a result of the IDC activities, and more recently as a result of the intensified collection efforts of the Library of Congress, libraries at present are much better stocked with materials useful in economic warfare than they were a decade ago. However, to place the utilization of the existing collections of documents and library materials on an efficient basis in the event of another emergency, it would be necessary to intensify the procedures for coordinating information about the available resources. The most significant efforts in this direction now are the Farmington Plan and the various union lists.

The recently launched Farmington Plan, whereby various private and governmental research libraries have agreed to collect foreign publications on a cooperative basis in all fields, could eventually add materially to the foreign economic publication resources available in this country. However, this plan, which has now been in operation on a limited scale for about a year has not as yet added to the significant available resources in the country.

Large scale intelligence operations are able to tap the resources of the country's research libraries through inter-library loans. These loans are facilitated by special inventory lists. The major lists are

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the following:

The National Union Catalog, a card index by authors in the Library of Congress, the most comprehensive of such lists.

Union Catalogs -- the Bibliographic Centers for the Philadelphia and Cleveland Areas, the Rocky Mountains (Denver) and the Pacific Northwest (Seattle).

Library and Reference Facilities in the area of the District of Columbia published and kept up to date by the Library of Congress; describes and indexes by broad subjects the general resources of libraries in the Washington area.

Special Library Resources issued in 1947 by the Special Libraries Association; includes general descriptions of special collections.

Union Lists of Serials, a cooperative library enterprise listing serial holdings; kept up to date by supplements and new editions.

Among the important existing collections of documents and library materials which should be useful in economic warfare are the holdings of the Division of Library and Reference Services of the Department of State. They include source materials, publications, catalogs and indexes assembled or prepared by the Foreign Economic Administration (and its predecessors), the Office of Strategic Services, the Office of War Information, the Institute of Inter-American Affairs and similar World War II agencies. These various collections are at present being consolidated and integrated into the permanent collections of the Division of Library and Reference Services. In the process, the cataloging and indexing of the various collections is being unified and extended so as to make all the materials available from an author, title, substantive or geographic approach.

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(2) Foreign publications. Foreign publications, including newspapers, periodicals, government documents, statistical and other hand-books, directories, yearbooks, etc., are a most valuable source of economic intelligence information. The nature of modern industrial society requires that certain basic information of an economic nature be made available generally to all members of the community if they are to function effectively in the social organization, and such information is of necessity distributed through the medium of publications. The value of publications as a source of intelligence information was strikingly demonstrated in numerous instances during the recent war. At the present time publications are by far the most important source of economic information on the USSR and are becoming more and more important on the satellite areas.

The problems involved in effectively exploiting this source in peacetime are so complex as almost to defy solution. In the following paragraphs certain tentative recommendations are made, with the realization, however, that they can at best ameliorate, not solve, the over-all problem. Among the factors which make comprehensive and coordinated utilization of this source so difficult are the following:

- (a) The large number of agencies which use this relatively inexpensive source.
- (b) The sheer mass of available publications and the various countries and languages involved.
- (c) The multiplicity of channels by which government agencies obtain such publications.
- (d) The technical difficulties involved in insuring prompt and regular receipt of publications, particularly of periodicals and newspapers.
- (e) The lack of any central record of what is currently being received by the Government.
- (f) The lack of any record showing what publications or types of publications are used by different agencies.
- (g) An attitude of "rugged individualism" on the part of users of foreign publications, which hinders the development of cooperation for effective exploitation or coordinated collection.

During World War II, sheer necessity forced the adoption of extensive measures of cooperation and coordination, through the mechanism

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of the Interdepartmental Committee for the Acquisition of Foreign Publications (IDC). With the cessation of hostilities, there came a reversion to prewar habits. Efforts were made to continue, in one form or another, the coordinating functions of IDC, but without success. In a limited way the Department of State is now coordinating the acquisition, distribution, and exploitation of publications. This activity is restricted to publications from areas where inadequate commercial facilities exist or where, because of the closing off of other sources of information, publications are of critical importance. Unlike IDC, the Department of State cannot exercise initiative in this matter on a broad scale: it must rely upon requests and authorization of funds from other agencies before it can take action. With regard to publications from the USSR and in increasing measure from the satellite countries, the Department has nevertheless taken the initiative in coordinating the collection, exploitation, and dissemination of information contained in these publications.

It is unfortunate but true that the US Government has drifted into a position where in the event of war, it would again find unavailable the mass of foreign publications which have been shown to be indispensable to the effective conduct of war, and particularly of economic warfare. Many officials of the Government have given careful thought to this problem but have not agreed upon a solution. It appears, however, that one prerequisite to any solution is the strengthening of the facilities and services of Government libraries and reference collections. It is known that much material of informational value has been acquired but is not generally available for use by all interested agencies. Before any comprehensive and coordinated acquisition program can commence, this basic defect must be remedied. When this is done, it will be possible to learn what is currently being received by the Government, and to determine important gaps which should be filled. Obviously, many of these gaps could be expeditiously filled by using normal commercial channels for acquiring the pertinent materials. The remaining gaps might be filled by an operation conducted by the Department of State, but only subject to an over-all high-level agreement among ^{the} agencies involved covering (1) availability

of funds; (2) responsibilities and commitments regarding storage, recording and servicing of material when acquired, (3) cooperation in special exploitation projects when required.

In the event of another war, it will undoubtedly be necessary to organize an operation similar to that of IDC. In the meantime, foreign publications are of such importance as a source of economic information that it is believed highly desirable to extend and expand the publication collection activities of the Department of State without delay and without waiting upon the detailed coordination measures which are indicated above as necessary for complete and efficient utilization of this type of material. The Department should concentrate its collection efforts particularly upon countries adjacent to the USSR, such as the 25X1 satellites and upon other areas where commercial facilities and other normal means for acquiring publications are inadequate. At the present time the Department has in the field only eight officers specializing in this important type of collection activity. This number should immediately be increased to provide adequate collection on a comprehensive scale in the areas indicated above, either through a reallocation of the functions of existing staffs in the Foreign Service posts concerned, or by the assignment of additional officers to selected posts. This personnel should have adequate experience and background both in the languages concerned and in economic subjects.

(3) Reporting by US Diplomatic Missions. Under normal peacetime conditions, the most fruitful source of economic intelligence information is the reporting carried on by personnel assigned to US diplomatic and consular offices throughout the world. Under the concept of a unified Foreign Service working for all agencies of the government, the reporting from Foreign Service posts, is supposed within the limitations of available personnel to meet the needs alike of intelligence and non-intelligence, of military and civilian agencies. The Army, Navy, and Air Force have their own representatives at the more important posts, and other types of specialized reporting officers -- agricultural, commercial,

petroleum, aviation, telecommunications, mineral, and scientific -- are stationed at various key posts.

Coordination of the reporting activities carried on by personnel assigned to Foreign Service posts is governed by the provisions of NSCID 2. This directive, as indicated previously, takes cognizance only indirectly of the interests of non-IAC agencies, and leaves the general field of economics unresolved. It is generally agreed that the quality of reporting from Foreign Service posts is high. However, the maximum use of this source is not being made at present for the following reasons:

(1) there is duplicate and overlapping reporting on economic subjects by State, Army, Navy, and Air Force personnel; (2) in so far as the State Department is concerned, there is great emphasis on meeting the requirements of civilian agencies for trade promotion and other operating information, as against information for intelligence purposes; (3) inadequate dissemination procedures in the State Department prevent full use by all interested agencies of the information which is reported.

The following recommendations are made in the belief that they would make possible a more complete peacetime use of this source, and provide a basis for operations in the event of an emergency: (1) Clarification and allocation of responsibility for economic intelligence collection as between State, Army, Navy, Air. (2) Provision for participation by civilian non-IAC agencies, other than indirectly through the State Department, in the collection of economic intelligence. This participation should not take the form of direct representation at Foreign Service posts, but rather by systematically making known to the collecting intelligence agencies their economic intelligence requirements. (3) The creation in the Department of State of an adequate dissemination process, preferably by the creation of a reading panel on which are represented civilian non-IAC agencies as well as intelligence agencies and through which pass all reports and dispatches from the Foreign Service. Such a Reading Panel should have available adequate reproduction facilities.

(4) Reports from Economic Operating Personnel in the Field.

A major source of information in time of war is the field operating

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personnel of such agencies as War Shipping Administration, FEA, USCC, etc. Two problems are involved with respect to this source. First, these operating personnel must be made aware of the importance of their observations to the point that they send them back to Washington. Second, the operating people in Washington must make this information available to their intelligence unit, and the agency must make it available as appropriate to other agencies. During the last war, operating units frequently disregarded the recommendations of their analytical staffs because they held what they considered more up to date and more accurate information received operationally. The men in the field, on the other hand, sometimes disregarded instructions from Washington because they felt that they knew the situation on the spot more intimately.

(5) Foreign Radio Broadcasts. During the war, the Federal Communications Commission organized a Foreign Broadcast Information Service, which effectively and efficiently monitored foreign radio broadcasts and disseminated the information contained therein to interested agencies.

The function is now being

performed under authority of NSCID 6. This source of information is now covered in an adequate manner, and the present arrangements are not only the best that could be arrived at in peacetime, but also would serve, with some expansion, for wartime needs.

(6) Covert Operations. Covert operations may be a most fruitful source of economic intelligence, but are at the same time the most complex and difficult of all operations to direct and unless carefully supervised can result in expenditures of money out of all proportion to the value of the information collected. During the war, numerous agencies, including Army, Navy, and OSS engaged in covert operations, often without coordination, and frequently without result in terms of information collected. At the present time, under NSC directive,

are clearly allocated to one agency.
covert activities in foreign countries. / Centralization of this type of operation in one agency results in economies and simplifies the direction

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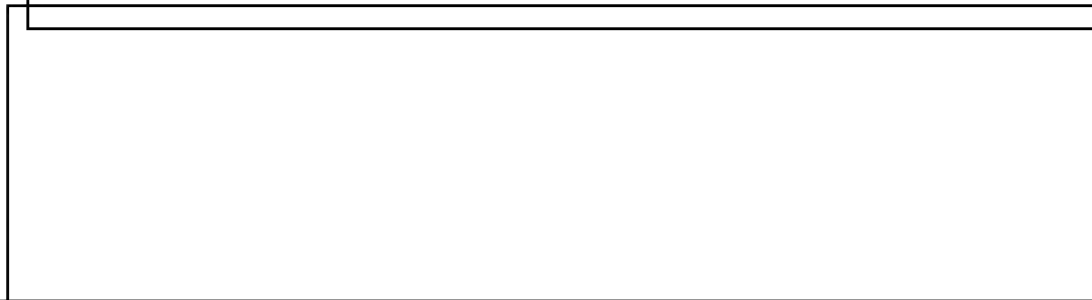
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and coordination of effort, but is open to certain objections. Under peacetime conditions, however, there appears to be no alternative to the present arrangement. From the point of view of economic intelligence, it would appear desirable that measures be taken at once to make the existing operations more responsive to the intelligence requirements of civilian non-IAC agencies responsible for aspects of economic intelligence. Establishment of these measures will be complicated by the overriding consideration of security. If, in the event of a national emergency, other agencies should enter this field the most careful coordination of their activities would be necessary.

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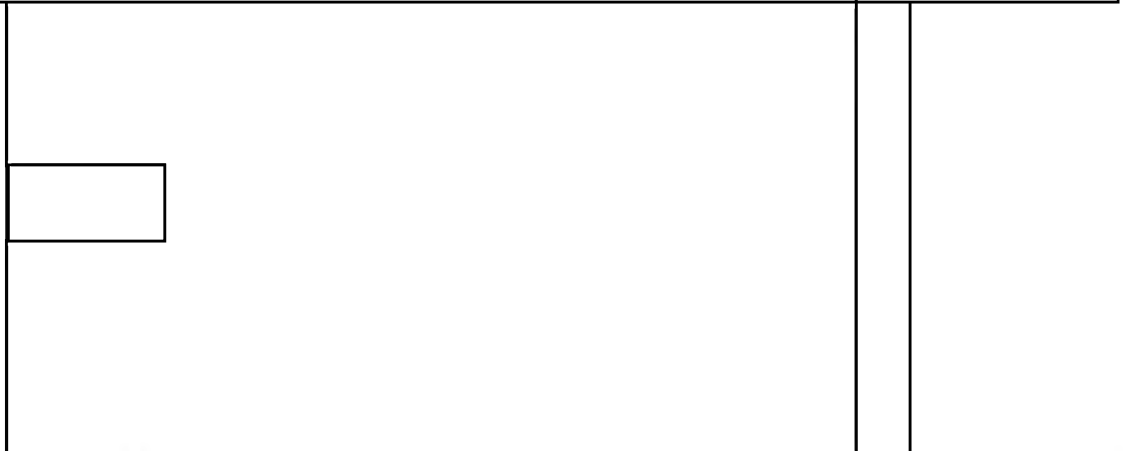
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(9) Maps. Maps are both an essential tool in intelligence research and a source of intelligence information. During the war, four agencies collected maps in large quantities: Army Map Service, Aeronautical Chart Service, Hydrographic Office, and the Map Division of OSS. In addition, the Library of Congress maintains an extensive collection. During the war, efforts were made to avoid excessive duplication in the building up of collections in Washington, although it was realized that because of the value of maps as a research tool, a certain overlapping was inevitable. There was, however, considerable wasteful competition in the collecting of maps in the field. At the present time, the principal map collections, by unofficial agreement, concentrate on different types of map coverage broadly as follows:

Army Map Service - Topographical and transportation; city plans.
Hydrographic Office - Hydrographic charts.
Aeronautical Chart Service - Aeronautical maps.
Map Branch, CIA - Specialty maps.

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(10) Pictorial Coverage (Excluding Aerial Photography).

Photographic and pictorial coverage of industrial enterprises, terrain, etc., can yield valuable economic information. The value to economic information. The value to economic intelligence of this type of photographic coverage, as distinguished from aerial photography, was recognized by OSS in the last war. The Pictorial Records Section of the R & A Branch of OSS was originally envisioned as becoming the central collection of the Government for this type of photography. Intensive effort was made to build up the collection by tapping private and business collections

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After the war, interest in this type of coverage on an over-all basis waned. The basic OSS collection was finally transferred to CIA, which is now endeavoring to increase its coverage and provide adequate service for this type of material. There is today, however, considerable duplication of effort on the part of the Army, Navy, Air Force, and CIA in this field.

The value of this type of material for intelligence purposes was clearly demonstrated during the war, and it is desirable that

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this source continue to be exploited for current and future intelligence needs. It is recommended (1) that CIA organize and maintain the central, comprehensive collection of ground photography of foreign areas as a "common service" to IAC and non-IAC agencies; (2) that the photographic collections of the Army, Navy, and Air Force be limited to aerial photography and other material of purely operational interest;

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These measures should establish the

basis for meeting wartime requirements from this source.

- (11) Prisoner-of-war interrogation (IPW).
- (12) Captured enemy documents.
- (13) Censorship reports.
- (14) Aerial reconnaissance.
- (15) Combat intelligence.
- (16) Captured enemy matériel.

These sources are, of course, available only in time of war.

The experiences of the recent war indicate the danger of uncoordinated use of these sources, and the necessity for carefully planned collaboration and cooperation if the information potential of prisoners of war and captured enemy documents is to be fully realized. Positive recommendations regarding exploitation of these sources are beyond the scope of this paper. It should be pointed out, however, that the

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(18) Refugees and Refugee Organizations. Although the procedures described under pars. (3), (7), and (8), above, apply to the collection of information from this particular type of source, the present lack of coordination and the confusion in obtaining information from refugees in the US and abroad warrants special mention. It is highly desirable that steps be taken at once to evolve a workable procedure, acceptable to all agencies concerned, for exploiting this source.

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APPENDIX BOUTLINES OF CHAPTERS III, IV, V, and VI
OF THE NATIONAL INTELLIGENCE SURVEY (NIS)CHAPTER IIITRANSPORTATION AND TELECOMMUNICATIONS

- Section 30. Introduction
- Section 31. Railway Transportation System
- A. General
 - B. Characteristics of Lines and Facilities
 - C. Operating Methods
 - D. Traffic Data and Related Statistics
 - E. Comments on Principal Sources
- Section 32. Highway Transport
- A. General
 - B. Characteristics of Highways and Facilities
 - C. Operational and Traffic Data
 - D. Comments on Principal Sources
- Section 33. Inland Waterway Transport
- A. General
 - B. Description of Individual Waterways
 - C. Operational and Related Statistics
 - D. Comments on Principal Sources
- Section 34. Petroleum Pipelines
- A. General
 - B. Characteristics of Lines and Facilities
 - C. Planned Construction
 - D. Operational and Traffic Data
 - E. Comments on Principal Sources
- Section 35. Ports and Naval Facilities
- A. General
 - B. Principal Ports
 - C. Secondary Ports
 - D. Minor Ports
 - E. Comments on Principal Sources
- Section 36. Merchant Marine
- A. General
 - B. Organization
 - C. Composition
 - D. Shipping Program
 - E. Normal Shipping Routes and Ports of Call
 - F. Traffic Data and Related Statistics
 - G. Comments on Principal Sources
- Section 37. Civil Air
- A. General
 - B. Organization
 - C. Origin of Flying Equipment and Fuel
 - D. Airlines
 - E. Routes Flown
 - F. Comments on Principal Sources

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CHAPTER III

TRANSPORTATION AND TELECOMMUNICATIONS (CONT'D)

- Section 38. Telecommunications - Strategic Outline
 - A. General
 - B. Domestic Facilities
 - C. International Facilities
 - D. Comments on Principal Sources

CHAPTER IV

SOCIOLOGICAL

- Section 40. Introduction
 - A. General Character of the Society
 - B. Historical Setting
- Section 41. Population
 - A. General
 - B. Size and Geographical Distribution
 - C. Population Change
 - D. Age-Sex Groups
 - E. Comments on Principal Sources
- Section 42. Characteristics of the People
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 - B. Physical Characteristics
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- Section 43. Religion, Education, and Public Information
 - A. General
 - B. Religion
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- Section 44. Labor
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 - C. Wages and Working Conditions
 - D. Labor Organizations
 - E. Labor Legislation
 - F. Comments on Principal Sources
- Section 45. Health and Sanitation
 - A. General
 - B. Environmental Factors Affecting Health
 - C. Public Utilities in Relation to Health
 - D. Diseases
 - E. Public Health Administration and Practice
 - F. Medical Care Potential
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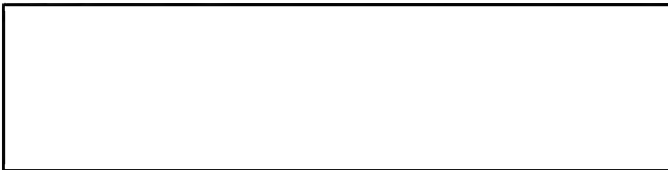
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